



3013 (02-09-04)

**ANNUAL REPORT**

OF

Name: KENOSHA WATER UTILITY

Principal Office: 4401 GREEN BAY ROAD  
KENOSHA, WI 53144

For the Year Ended: DECEMBER 31, 2000

**WATER, ELECTRIC, OR JOINT UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

I, O. FRED NELSON of  
(Person responsible for accounts)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

GENERAL MANAGER

---

(Title)

**TABLE OF CONTENTS**

<b>Schedule Name</b>	<b>Page</b>
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
<b>FINANCIAL SECTION</b>	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Distribution of Total Payroll	F-05
Balance Sheet	F-06
Net Utility Plant	F-07
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 111)	F-08
Net Nonutility Property (Accts. 121 & 122)	F-09
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-10
Materials and Supplies	F-11
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-12
Capital Paid in by Municipality (Acct. 200)	F-13
Bonds (Accts. 221 and 222)	F-14
Notes Payable & Miscellaneous Long-Term Debt	F-15
Taxes Accrued (Acct. 236)	F-16
Interest Accrued (Acct. 237)	F-17
Contributions in Aid of Construction (Account 271)	F-18
Balance Sheet End-of-Year Account Balances	F-19
Return on Rate Base Computation	F-20
Return on Proprietary Capital Computation	F-21
Important Changes During the Year	F-22
Financial Section Footnotes	F-23
<b>WATER OPERATING SECTION</b>	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service	W-08
Accumulated Provision for Depreciation - Water	W-10
Source of Supply, Pumping and Purchased Water Statistics	W-12
Sources of Water Supply - Ground Waters	W-13
Sources of Water Supply - Surface Waters	W-14
Pumping & Power Equipment	W-15
Reservoirs, Standpipes & Water Treatment	W-16
Water Mains	W-17
Water Services	W-18
Meters	W-19
Hydrants and Distribution System Valves	W-20
Water Operating Section Footnotes	W-21

---

## IDENTIFICATION AND OWNERSHIP

---

**Exact Utility Name:** KENOSHA WATER UTILITY

**Utility Address:** 4401 GREEN BAY ROAD  
KENOSHA, WI 53144

**When was utility organized?** 1/1/1894

**Report any change in name:**

**Effective Date:**

**Utility Web Site:** www.kenoshawater.org

---

**Utility employee in charge of correspondence concerning this report:**

---

**Name:** CATHY BRNAK

**Title:** DIRECTOR OF BUSINESS SERVICES

**Office Address:**

4401 GREEN BAY ROAD  
KENOSHA, WI 53144

**Telephone:** (262) 653 - 4312

**Fax Number:** (262) 653 - 4320

**E-mail Address:** wcathyb@kenosha.org

---

**Individual or firm, if other than utility employee, preparing this report:**

---

**Name:** NONE

**Title:**

**Office Address:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

---

**President, chairman, or head of utility commission/board or committee:**

---

**Name:** MR DONALD K. HOLLAND

**Title:** CHAIRMAN, BOARD OF WATER COMMISSIONERS

**Office Address:**

4401 GREEN BAY ROAD  
KENOSHA, WI 53144

**Telephone:**

**Fax Number:**

**E-mail Address:**

---

**Are records of utility audited by individuals or firms, other than utility employee?** YES

---

**IDENTIFICATION AND OWNERSHIP**

---

---

**Individual or firm, if other than utility employee, auditing utility records:**

---

**Name:** VIRCHOW, KRAUSE & COMPANY, LLP**Title:****Office Address:** VIRCHOW, KRAUSE & COMPANY, LLP

4600 AMERICAN PARKWAY

P.O. BOX 7398

MADISON, WI 53707-7398

**Telephone:** (608) 249 - 8532**Fax Number:** (608) 249 - 6622**E-mail Address:****Date of most recent audit report:** 3/15/2001**Period covered by most recent audit:** 1/1/2000 - 12/31/2000

---

**Names and titles of utility management including manager or superintendent:**

---

**Name:** O. FRED NELSON**Title:** GENERAL MANAGER**Office Address:**

4401 GREEN BAY ROAD

KENOSHA, WI 53144

**Telephone:** (262) 653 - 4308**Fax Number:** (262) 653 - 4303**E-mail Address:**

---

**Name of utility commission/committee:** Board of Water Commissioners

---

---

**Names of members of utility commission/committee:**

MR CHARLES W. BRADLEY

MR EVERETT C. BUTLER

MR STEPHEN P. CASEY

MR DONALD K. HOLLAND, , CHAIRMAN

MR G. JOHN RUFFALO

MR JOHN M. WAMBOLDT

---

**Is sewer service rendered by the utility?** YES**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:****Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation****of water or sewer treatment plant)?** NO

---

**Provide the following information regarding the provider(s) of contract services:**

---

## IDENTIFICATION AND OWNERSHIP

---

**Firm Name:**

**Contact Person:**

**Title:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

---

**Contract/Agreement beginning-ending dates:**

**Provide a brief description of the nature of Contract Operations being provided:**

**INCOME STATEMENT**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	9,380,049	9,668,090	<b>1</b>
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401-402)	3,769,598	3,289,958	<b>2</b>
Depreciation Expense (403)	1,501,728	1,505,994	<b>3</b>
Amortization Expense (404-407)	0	0	<b>4</b>
Taxes (408)	1,495,302	1,371,620	<b>5</b>
<b>Total Operating Expenses</b>	<b>6,766,628</b>	<b>6,167,572</b>	
<b>Net Operating Income</b>	<b>2,613,421</b>	<b>3,500,518</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	<b>6</b>
<b>Utility Operating Income</b>	<b>2,613,421</b>	<b>3,500,518</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	<b>7</b>
Income from Nonutility Operations (417)	0	0	<b>8</b>
Nonoperating Rental Income (418)	1,775	1,684	<b>9</b>
Interest and Dividend Income (419)	784,988	640,616	<b>10</b>
Miscellaneous Nonoperating Income (421)	0	0	<b>11</b>
<b>Total Other Income</b>	<b>786,763</b>	<b>642,300</b>	
<b>Total Income</b>	<b>3,400,184</b>	<b>4,142,818</b>	
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
Miscellaneous Amortization (425)	0	0	<b>12</b>
Other Income Deductions (426)	0	0	<b>13</b>
<b>Total Miscellaneous Income Deductions</b>	<b>0</b>	<b>0</b>	
<b>Income Before Interest Charges</b>	<b>3,400,184</b>	<b>4,142,818</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	1,611,196	1,658,076	<b>14</b>
Amortization of Debt Discount and Expense (428)	199,073	201,636	<b>15</b>
Amortization of Premium on Debt--Cr. (429)			<b>16</b>
Interest on Debt to Municipality (430)	36,180	7,442	<b>17</b>
Other Interest Expense (431)	0	0	<b>18</b>
Interest Charged to Construction--Cr. (432)		7,097	<b>19</b>
<b>Total Interest Charges</b>	<b>1,846,449</b>	<b>1,860,057</b>	
<b>Net Income</b>	<b>1,553,735</b>	<b>2,282,761</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	28,008,595	25,737,059	<b>20</b>
Balance Transferred from Income (433)	1,553,735	2,282,761	<b>21</b>
Miscellaneous Credits to Surplus (434)	0	0	<b>22</b>
Miscellaneous Debits to Surplus--Debit (435)	0	0	<b>23</b>
Appropriations of Surplus--Debit (436)	0	0	<b>24</b>
Appropriations of Income to Municipal Funds--Debit (439)	496	11,225	<b>25</b>
<b>Total Unappropriated Earned Surplus End of Year (216)</b>	<b>29,561,834</b>	<b>28,008,595</b>	

**INCOME STATEMENT ACCOUNT DETAILS**

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Amount (b)	
<b>Revenues from Utility Plant Leased to Others (412):</b>		
NONE		1
<b>Total (Acct. 412):</b>	<b>0</b>	
<b>Expenses of Utility Plant Leased to Others (413):</b>		
NONE		2
<b>Total (Acct. 413):</b>	<b>0</b>	
<b>Income from Nonutility Operations (417):</b>		
NONE		3
<b>Total (Acct. 417):</b>	<b>0</b>	
<b>Nonoperating Rental Income (418):</b>		
RENTAL OF LIGHTHOUSE KEEPER'S HOUSE	1,775	4
<b>Total (Acct. 418):</b>	<b>1,775</b>	
<b>Interest and Dividend Income (419):</b>		
MAINS & CONNECTIONS	7,656	5
SPECIAL REDEMPTION	198,702	6
DEPRECIATION	62,059	7
RENEWAL & REPLACEMENT	365,150	8
TAX FUND	69,998	9
INVESTMENT	81,423	10
<b>Total (Acct. 419):</b>	<b>784,988</b>	
<b>Miscellaneous Nonoperating Income (421):</b>		
NONE		11
<b>Total (Acct. 421):</b>	<b>0</b>	
<b>Miscellaneous Amortization (425):</b>		
NONE		12
<b>Total (Acct. 425):</b>	<b>0</b>	
<b>Other Income Deductions (426):</b>		
NONE		13
<b>Total (Acct. 426):</b>	<b>0</b>	
<b>Miscellaneous Credits to Surplus (434):</b>		
NONE		14
<b>Total (Acct. 434):</b>	<b>0</b>	
<b>Miscellaneous Debits to Surplus (435):</b>		
NONE		15
<b>Total (Acct. 435)--Debit:</b>	<b>0</b>	
<b>Appropriations of Surplus (436):</b>		
Detail appropriations to (from) account 215		16
<b>Total (Acct. 436)--Debit:</b>	<b>0</b>	



**INCOME STATEMENT ACCOUNT DETAILS**

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Amount (b)	
<b>Appropriations of Income to Municipal Funds (439):</b>		
RENOVATIONS/EXPENSES FOR BUILDING OWNED BY CITY	496	17
<b>Total (Acct. 439)--Debit:</b>	<b>496</b>	

**INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)**

<b>Particulars (a)</b>	<b>Water (b)</b>	<b>Electric (c)</b>	<b>Sewer (d)</b>	<b>Gas (e)</b>	<b>Total (f)</b>	
Revenues (account 415)					0	1
<b>Costs and Expenses of Merchandising, Jobbing and Contract Work (416):</b>						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
<b>Other (list by major classes):</b>						
NONE					0	6
<b>Total costs and expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net income (or loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT**

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

<b>Description (a)</b>	<b>Water Utility (b)</b>	<b>Electric Utility (c)</b>	<b>Sewer Utility (Regulated Only) (d)</b>	<b>Gas Utility (e)</b>	<b>Total (f)</b>	
Total operating revenues	9,380,049	0	0	0	<b>9,380,049</b>	<b>1</b>
Less: interdepartmental sales	0		0	0	<b>0</b>	<b>2</b>
Less: interdepartmental rents	0	0		0	<b>0</b>	<b>3</b>
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				<b>0</b>	<b>4</b>
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					<b>0</b>	<b>5</b>
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b>						
NONE					<b>0</b>	<b>6</b>
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>9,380,049</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,380,049</b>	

**DISTRIBUTION OF TOTAL PAYROLL**

1. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
2. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
3. Provide additional information in the schedule footnotes when necessary.

<b>Accounts Charged (a)</b>	<b>Direct Payroll Distribution (b)</b>	<b>Allocation of Amounts Charged Clearing Accts. (c)</b>	<b>Total (d)</b>	
Water operating expenses	1,609,751	(373,746)	<b>1,236,005</b>	<b>1</b>
Electric operating expenses			<b>0</b>	<b>2</b>
Gas operating expenses			<b>0</b>	<b>3</b>
Heating operating expenses			<b>0</b>	<b>4</b>
Sewer operating expenses		215,588	<b>215,588</b>	<b>5</b>
Merchandising and jobbing			<b>0</b>	<b>6</b>
Other nonutility expenses		25,404	<b>25,404</b>	<b>7</b>
Water utility plant accounts		126,336	<b>126,336</b>	<b>8</b>
Electric utility plant accounts			<b>0</b>	<b>9</b>
Gas utility plant accounts			<b>0</b>	<b>10</b>
Heating utility plant accounts			<b>0</b>	<b>11</b>
Sewer utility plant accounts			<b>0</b>	<b>12</b>
Accum. prov. for depreciation of water plant			<b>0</b>	<b>13</b>
Accum. prov. for depreciation of electric plant			<b>0</b>	<b>14</b>
Accum. prov. for depreciation of gas plant			<b>0</b>	<b>15</b>
Accum. prov. for depreciation of heating plant			<b>0</b>	<b>16</b>
Accum. prov. for depreciation of sewer plant			<b>0</b>	<b>17</b>
Clearing accounts			<b>0</b>	<b>18</b>
All other accounts		6,418	<b>6,418</b>	<b>19</b>
<b>Total Payroll</b>	<b>1,609,751</b>	<b>0</b>	<b>1,609,751</b>	

**BALANCE SHEET**

<b>Assets and Other Debits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>UTILITY PLANT</b>			
Utility Plant (101-107)	78,503,494	75,259,112	1
Less: Accumulated Provision for Depreciation and Amortization (111-116)	12,149,941	10,836,394	2
<b>Net Utility Plant</b>	<b>66,353,553</b>	<b>64,422,718</b>	
Utility Plant Acquisition Adjustments (117-118)			3
Other Utility Plant Adjustments (119)			4
<b>Total Net Utility Plant</b>	<b>66,353,553</b>	<b>64,422,718</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	6,160	5,960	5
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	6
<b>Net Nonutility Property</b>	<b>6,160</b>	<b>5,960</b>	
Investment in Municipality (123)	0	0	7
Other Investments (124)	105,408	0	8
Special Funds (125-128)	0	0	9
<b>Total Other Property and Investments</b>	<b>111,568</b>	<b>5,960</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)	575,263	621,714	10
Special Deposits (132-134)	0	0	11
Working Funds (135)	500	500	12
Temporary Cash Investments (136)	10,700,000	10,900,000	13
Notes Receivable (141)	0	0	14
Customer Accounts Receivable (142)	966,730	1,063,822	15
Other Accounts Receivable (143)	28,178	164,168	16
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	17
Receivables from Municipality (145)	160,263	185,421	18
Materials and Supplies (151-163)	317,526	378,992	19
Prepayments (165)	190,670	100,960	20
Interest and Dividends Receivable (171)	109,441	131,136	21
Accrued Utility Revenues (173)	1,102,492	1,109,416	22
Miscellaneous Current and Accrued Assets (174)	34,715	6,600	23
<b>Total Current and Accrued Assets</b>	<b>14,185,778</b>	<b>14,662,729</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	794,543	993,615	24
Other Deferred Debits (182-186)	514,506	535,468	25
<b>Total Deferred Debits</b>	<b>1,309,049</b>	<b>1,529,083</b>	
<b>Total Assets and Other Debits</b>	<b>81,959,948</b>	<b>80,620,490</b>	

**BALANCE SHEET**

<b>Liabilities and Other Credits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	1,215,184	1,211,913	<b>26</b>
Appropriated Earned Surplus (215)			<b>27</b>
Unappropriated Earned Surplus (216)	29,561,834	28,008,595	<b>28</b>
<b>Total Proprietary Capital</b>	<b>30,777,018</b>	<b>29,220,508</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221-222)	31,615,000	32,715,000	<b>29</b>
Advances from Municipality (223)	535,468	535,468	<b>30</b>
Other Long-Term Debt (224)	0	0	<b>31</b>
<b>Total Long-Term Debt</b>	<b>32,150,468</b>	<b>33,250,468</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	0	0	<b>32</b>
Accounts Payable (232)	741,547	467,866	<b>33</b>
Payables to Municipality (233)	94,435	141,819	<b>34</b>
Customer Deposits (235)	1,670	2,550	<b>35</b>
Taxes Accrued (236)	1,406,823	1,286,365	<b>36</b>
Interest Accrued (237)	139,484	142,007	<b>37</b>
Matured Long-Term Debt (239)			<b>38</b>
Matured Interest (240)			<b>39</b>
Tax Collections Payable (241)			<b>40</b>
Miscellaneous Current and Accrued Liabilities (242)			<b>41</b>
<b>Total Current and Accrued Liabilities</b>	<b>2,383,959</b>	<b>2,040,607</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	<b>42</b>
Customer Advances for Construction (252)			<b>43</b>
Other Deferred Credits (253)	168,259	178,540	<b>44</b>
<b>Total Deferred Credits</b>	<b>168,259</b>	<b>178,540</b>	
<b>OPERATING RESERVES</b>			
Property Insurance Reserve (261)			<b>45</b>
Injuries and Damages Reserve (262)			<b>46</b>
Pensions and Benefits Reserve (263)			<b>47</b>
Miscellaneous Operating Reserves (265)			<b>48</b>
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
Contributions in Aid of Construction (271)	16,480,244	15,930,367	<b>49</b>
<b>Total Liabilities and Other Credits</b>	<b>81,959,948</b>	<b>80,620,490</b>	

**NET UTILITY PLANT**

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

<b>Particulars (a)</b>	<b>Water (b)</b>	<b>Sewer (c)</b>	<b>Gas (d)</b>	<b>Electric (e)</b>	
<b>Plant Accounts:</b>					
Utility Plant in Service (101)	77,384,800	0	0	0	1
Utility Plant Purchased or Sold (102)					2
Utility Plant in Process of Reclassification (103)					3
Utility Plant Leased to Others (104)					4
Property Held for Future Use (105)					5
Completed Construction not Classified (106)					6
Construction Work in Progress (107)	1,118,694				7
<b>Total Utility Plant</b>	<b>78,503,494</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service (111)	12,149,941	0	0	0	8
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					9
Accumulated Provision for Depreciation of Property Held for Future Use (113)					10
Accumulated Provision for Amortization of Utility Plant in Service (114)					11
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					12
Accumulated Provision for Amortization of Property Held for Future Use (116)					13
<b>Total Accumulated Provision</b>	<b>12,149,941</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Utility Plant</b>	<b>66,353,553</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 111)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.  
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year</b>	10,836,394				<b>10,836,394</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (403)	1,501,728				<b>1,501,728</b>	<b>4</b>
Depreciation expense on meters						<b>5</b>
charged to sewer (see Note 3)	75,372				<b>75,372</b>	<b>6</b>
Accruals charged other						<b>7</b>
accounts (specify):						<b>8</b>
Functional Expense Accounts	89,641				<b>89,641</b>	<b>9</b>
Salvage	16,930				<b>16,930</b>	<b>10</b>
Other credits (specify):						<b>11</b>
Transfers to/from other funds	41,940				<b>41,940</b>	<b>12</b>
<b>Total credits</b>	<b>1,725,611</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,725,611</b>	<b>13</b>
<b>Debits during year</b>						<b>14</b>
Book cost of plant retired	347,651				<b>347,651</b>	<b>15</b>
Cost of removal	63,655				<b>63,655</b>	<b>16</b>
Other debits (specify):						<b>17</b>
Gain of sale of equipment	758				<b>758</b>	<b>18</b>
<b>Total debits</b>	<b>412,064</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>412,064</b>	<b>19</b>
<b>Balance End of Year</b>	<b>12,149,941</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,149,941</b>	<b>20</b>
						<b>21</b>
						<b>22</b>



**NET NONUTILITY PROPERTY (ACCTS. 121 & 122)**

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

<b>Description (a)</b>	<b>Balance First of Year (b)</b>	<b>Additions During Year (c)</b>	<b>Deductions During Year (d)</b>	<b>Balance End of Year (e)</b>	
Nonregulated sewer plant	0			0	1
<b>Other (specify):</b>					
Lighthouse & Dwelling	5,960	200		6,160	2
Old West Filter Plant	0			0	3
<b>Total Nonutility Property (121)</b>	<b>5,960</b>	<b>200</b>	<b>0</b>	<b>6,160</b>	
Less accum. prov. depr. & amort. (122)	0			0	4
<b>Net Nonutility Property</b>	<b>5,960</b>	<b>200</b>	<b>0</b>	<b>6,160</b>	

**ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	0	1
<b>Additions:</b>		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
<b>Total Additions</b>	<u>0</u>	
<b>Deductions:</b>		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
<b>Total accounts written off</b>	<u>0</u>	
<b>Balance end of year</b>	<u><u>0</u></u>	

**MATERIALS AND SUPPLIES**

<b>Account (a)</b>	<b>Generation (b)</b>	<b>Transmission (c)</b>	<b>Distribution (d)</b>	<b>Other (e)</b>	<b>Total End of Year (f)</b>	<b>Amount Prior Year (g)</b>	
<b>Electric Utility</b>							
Fuel (151)					0	0	1
Fuel stock expenses (152)					0	0	2
Plant mat. & oper. sup. (154)					0	0	3
<b>Total Electric Utility</b>					<u>0</u>	<u>0</u>	

<b>Account</b>	<b>Total End of Year</b>	<b>Amount Prior Year</b>	
Electric utility total	0	0	1
Water utility (154)	317,526	378,992	2
Sewer utility (154)		0	3
Heating utility (154)		0	4
Gas utility (154)		0	5
Merchandise (155)		0	6
Other materials & supplies (156)		0	7
Stores expense (163)		0	8
<b>Total Materials and Supplies</b>	<u>317,526</u>	<u>378,992</u>	

## UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<b>Unamortized debt discount &amp; expense (181)</b>				
1998 Bond Refunding Notes discount expense	39,086	428	418,034	1
1998 Bond Refunding Notes issuance expense	14,968	428	160,081	2
Amortization of Loss on Refunding	145,018	428	216,428	3
<b>Total</b>			<b>794,543</b>	
<b>Unamortized premium on debt (251)</b>				
NONE				4
<b>Total</b>			<b>0</b>	

**CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	1,211,913	<b>1</b>
<b>Changes during year (explain):</b>		
WATER MAIN	1,241	<b>2</b>
HYDRANT RELOCATIONS	2,030	<b>3</b>
<b>Balance end of year</b>	<b><u>1,215,184</u></b>	

**BONDS (ACCTS. 221 AND 222)**

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

<b>Description of Issue (a)</b>	<b>Date of Issue (b)</b>	<b>Final Maturity Date (c)</b>	<b>Interest Rate (d)</b>	<b>Principal Amount End of Year (e)</b>	
1998 Water Revenue Refunding Bonds	05/15/1998	12/01/2018	4.82%	31,615,000	<b>1</b>
<b>Total Bonds (Account 221):</b>				<b>31,615,000</b>	
<b>Net amount of bonds outstanding December 31:</b>				<b>31,615,000</b>	

**NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT**

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
<b>Advances (223)</b>					
ADVANCE FROM MUNICIPALITY	04/01/1999	04/01/2019	6.67%	535,468	1
<b>Total for Account 223</b>				<b>535,468</b>	

**TAXES ACCRUED (ACCT. 236)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	1,286,365	1
<b>Accruals:</b>		
Charged water department expense	103,039	2
Charged electric department expense		3
Charged sewer department expense		4
<b>Other (explain):</b>		
PSC Remainder Assessment	15,072	5
Tax Equivalent for year 2000	1,406,823	6
<b>Total Accruals and other credits</b>	<b>1,524,934</b>	
<b>Taxes paid during year:</b>		
County, state and local taxes	1,286,365	7
Social Security taxes	103,039	8
PSC Remainder Assessment	15,072	9
<b>Other (explain):</b>		
NONE		10
<b>Total payments and other debits</b>	<b>1,404,476</b>	
<b>Balance end of year</b>	<b>1,406,823</b>	



**INTEREST ACCRUED (ACCT. 237)**

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>					
1991 Water Revenue Bonds	0			0	1
1998 Water Revenue Refunding Bonds	134,565	1,611,196	1,615,322	130,439	2
<b>Subtotal</b>	<b>134,565</b>	<b>1,611,196</b>	<b>1,615,322</b>	<b>130,439</b>	
<b>Advances from Municipality (223)</b>					
WRS PAY OFF OF UNFUNDED OBLIGATION	7,442	36,180	34,577	9,045	3
<b>Subtotal</b>	<b>7,442</b>	<b>36,180</b>	<b>34,577</b>	<b>9,045</b>	
<b>Other Long-Term Debt (224)</b>					
NONE	0			0	4
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Notes Payable (231)</b>					
NONE	0			0	5
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>142,007</b>	<b>1,647,376</b>	<b>1,649,899</b>	<b>139,484</b>	

**CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)**

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	15,930,367	0	0	0	0	<b>15,930,367</b>	<b>1</b>
<b>Add credits during year:</b>							
For Services	41,998					<b>41,998</b>	<b>2</b>
For Mains	140,520					<b>140,520</b>	<b>3</b>
<b>Other (specify):</b>							
DONATED CONNECTIONS	152,640					<b>152,640</b>	<b>4</b>
DONATED MAIN	214,719					<b>214,719</b>	<b>5</b>
<b>Deduct charges (specify):</b>							
NONE						<b>0</b>	<b>6</b>
<b>Balance End of Year</b>	<b>16,480,244</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,480,244</b>	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						<b>0</b>	<b>7</b>

**BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
<b>Investment in Municipality (123):</b>		
NONE		1
<b>Total (Acct. 123):</b>	<b>0</b>	
<b>Other Investments (124):</b>		
LONG TERM PORTION OF WATER MAIN ASSESSMENTS	105,408	2
<b>Total (Acct. 124):</b>	<b>105,408</b>	
<b>Sinking Funds (125):</b>		
NONE		3
<b>Total (Acct. 125):</b>	<b>0</b>	
<b>Depreciation Fund (126):</b>		
NONE		4
<b>Total (Acct. 126):</b>	<b>0</b>	
<b>Other Special Funds (128):</b>		
NONE		5
<b>Total (Acct. 128):</b>	<b>0</b>	
<b>Interest Special Deposits (132):</b>		
NONE		6
<b>Total (Acct. 132):</b>	<b>0</b>	
<b>Other Special Deposits (134):</b>		
NONE		7
<b>Total (Acct. 134):</b>	<b>0</b>	
<b>Notes Receivable (141):</b>		
NONE		8
<b>Total (Acct. 141):</b>	<b>0</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	966,730	9
Electric		10
Sewer (Regulated)		11
<b>Other (specify):</b>		
NONE		12
<b>Total (Acct. 142):</b>	<b>966,730</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)		13
Merchandising, jobbing and contract work		14
<b>Other (specify):</b>		
WATER MAIN ASSESSMENT RECEIVABLE	24,248	15

**BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
<b>Other Accounts Receivable (143):</b>		
WATER CONNECTION ASSESSMENT RECEIVABLE	3,930	16
<b>Total (Acct. 143):</b>	<b>28,178</b>	
<b>Receivables from Municipality (145):</b>		
TAXROLL COLLECTION	160,263	17
<b>Total (Acct. 145):</b>	<b>160,263</b>	
<b>Prepayments (165):</b>		
PREPAID TELEPHONE EXPENSE	11,130	18
PREPAID TIP/ IX LICENSE	12,040	19
MEMBRANE FILTER REPLACEMENT AGREEMENT	167,500	20
<b>Total (Acct. 165):</b>	<b>190,670</b>	
<b>Extraordinary Property Losses (182):</b>		
NONE		21
<b>Total (Acct. 182):</b>	<b>0</b>	
<b>Preliminary Survey and Investigation Charges (183):</b>		
NONE		22
<b>Total (Acct. 183):</b>	<b>0</b>	
<b>Clearing Accounts (184):</b>		
NONE		23
<b>Total (Acct. 184):</b>	<b>0</b>	
<b>Temporary Facilities (185):</b>		
NONE		24
<b>Total (Acct. 185):</b>	<b>0</b>	
<b>Miscellaneous Deferred Debits (186):</b>		
WRS OBLIGATION	514,506	25
<b>Total (Acct. 186):</b>	<b>514,506</b>	
<b>Payables to Municipality (233):</b>		
INSURANCE ADMINISTRATION CHARGES	44,790	26
PAYROLL PAYABLE	35,180	27
OTHER	14,465	28
<b>Total (Acct. 233):</b>	<b>94,435</b>	
<b>Other Deferred Credits (253):</b>		
WATER CONTINGENT LIABILITY, GASB #16, SICK LEAVE PAY OUT	168,259	29
<b>Total (Acct. 253):</b>	<b>168,259</b>	

**RETURN ON RATE BASE COMPUTATION**

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

<b>Average Rate Base (a)</b>	<b>Water (b)</b>	<b>Electric (c)</b>	<b>Sewer (d)</b>	<b>Gas (e)</b>	<b>Total (f)</b>	
<b>Add Average:</b>						
Utility Plant in Service	75,753,156	0	0	0	<b>75,753,156</b>	<b>1</b>
Materials and Supplies	348,259	0	0	0	<b>348,259</b>	<b>2</b>
<b>Other (specify):</b>						
NONE					<b>0</b>	<b>3</b>
<b>Less Average:</b>						
Reserve for Depreciation	11,493,167	0	0	0	<b>11,493,167</b>	<b>4</b>
Customer Advances for Construction					<b>0</b>	<b>5</b>
Contributions in Aid of Construction	16,205,305	0	0	0	<b>16,205,305</b>	<b>6</b>
<b>Other (specify):</b>						
NONE					<b>0</b>	<b>7</b>
<b>Average Net Rate Base</b>	<b>48,402,943</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,402,943</b>	
Net Operating Income	2,613,421	0	0	0	<b>2,613,421</b>	<b>8</b>
<b>Net Operating Income as a percent of</b>						
<b>Average Net Rate Base</b>	<b>5.40%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>5.40%</b>	

**RETURN ON PROPRIETARY CAPITAL COMPUTATION**

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
<b>Average Proprietary Capital</b>		
Capital Paid in by Municipality	1,213,548	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	28,785,214	3
<b>Other (Specify):</b>		4
<b>Total Average Proprietary Capital</b>	<b>29,998,762</b>	
<b>Net Income</b>		
Net Income	1,553,735	5
<b>Percent Return on Proprietary Capital</b>	<b>5.18%</b>	

## IMPORTANT CHANGES DURING THE YEAR

### Report changes of any of the following types:

#### 1. Acquisitions.

In November, 1997, the Utility signed cooperative agreements with the Village of Pleasant Prairie and the Town of Bristol. These agreements provide for the orderly expansion of the Village and the City west of Interstate 94 through annexations while preserving the Town of Bristol. The agreements determine the future service areas of the Utility for retail and wholesale service of water and sewer service. The PSC approved the change in water service boundaries, transfer of customers, facilities and obligations. Also approved was permission to construct a water transmission main to Bristol. This is PSC order 2820-WB-102 approved 5/13/97.

Assets currently owned by Bristol but in the area designated to be a Kenosha Water Utility retail service area will be purchased by the Utility at net book value less associated contributions. A tentative valuation of assets done in December 1996, indicated a purchase price of \$740,228 for water system assets. The transfer of assets was expected to occur in 1998 but will occur in 2001. The Utility has contracted to have water main installed under Interstate Highway 94 to service Bristol and the newly annexed City of Kenosha areas. The area south of Highway 50 will be serviced as a wholesale customer through two master meters. The area north of Highway 50 has been annexed and will be a retail service area.

#### 2. Leaseholder changes.

#### 3. Extensions of service.

In 2000 Kenosha Water Utility accepted three subdivisions from one developer, and the Village of Pleasant Prairie dedicated an area to Kenosha Water Utility. Assets are only added to the Utility's books after the Utility's Engineering Services staff insures installation complies with KWU standards. Then the manager of the Utility recommends acceptance of the assets to the Board of Water Commissioners. Consequently there are a great many subdivisions who are our retail customers but may not have the main, hydrants and services recorded on KWU books.

	White Caps 5B	White Caps 6	White Caps 7	Pleasant Prairie 89th Place & 20th
Ave.				
. Main	\$39,520.22	\$82,060.67	\$65,605.65	\$38,735.00
. Hydrants	5,379.77	27,299.04	8,644.97	4,551.00
. Services	13,425.00	32,300.00	25,650.00	16,379.00
	<u>\$58,324.99</u>	<u>\$141,659.71</u>	<u>\$99,900.62</u>	<u>\$59,665.00</u>

#### 4. Estimated changes in revenues due to rate changes.

The Utility increased rates effective December 31, 1998, per PSC order 2820-WR-103. The rate increase granted a 7.5% rate of return on net investment rate base. This was the first rate increase since 1995. The primary reason for the increase is the addition of utility plant which is a \$28 million upgrade to the treatment and pumping facilities. The overall increase in rates was 28% or additional revenue of \$1,993,861. Anticipated increases by customer class were:

General Service	31%
Wholesale	38%
Public Fire Protection	4%

**IMPORTANT CHANGES DURING THE YEAR****Report changes of any of the following types:****5. Obligations incurred or assumed, excluding commercial paper.**

On May 16, 1998, the Utility issued water revenue refunding bonds in the amount of \$33,765,000. This issue defeased the 1991 Revenue Bonds and the 1996 Bond Anticipation Notes. Unamortized costs associated with the 1991 and 1996 bond were not written off but instead will be amortized over the remaining issue lives along with the loss on the refunding of \$247,879. The following amortization schedule is being used:

Annual	Unamortized Discount and Issuing Costs				Total
	at Refinancing Date of May 15, 1998				Amortization
	1991	1996	Total Unamort-	Additional	of Loss on
	Issue	Issue	ized Costs	Funds Required	Refinancing
1998	7,058	46,775	53,833	37,977	91,810
1999	10,762	74,839	85,601	60,389	145,990
2000	10,192	74,839	85,031	59,987	145,018
2001	9,581	68,603	78,184	55,156	133,340
2002	8,917		8,917	6,291	15,208
2003	8,198		8,198	5,783	13,981
2004	7,402		7,402	5,222	12,624
2005	6,547		6,547	4,619	11,166
2006	5,635		5,635	3,975	9,610
2007	4,653		4,653	3,283	7,936
2008	3,603		3,603	2,542	6,145
2009	2,482		2,482	1,751	4,233
2010	1,282		1,282	904	2,186
	<u>86,312</u>	<u>265,056</u>	<u>351,368</u>	<u>247,879</u>	<u>599,247</u>

This methodology has been approved by the PSC in the 1998 Rate Case. Costs are being amortized to account 428. This is in addition to discount and issuance costs on the 1998 issue.

In 1999 the City of Kenosha reviewed the outstanding unfunded liability for Wisconsin Retirement System (WRS) purposes. The City, of which the Utility is a part for WRS purposes, determined that it could realize a savings by issuing debt to pay off the unfunded obligation to the State. The unfunded obligation was on a 40 year repayment schedule with an 8% interest rate. The City issued a taxable General Obligation Bond for 20 years and paid off the unfunded liability in May, 1999.

The water division of the Utility recorded an advance from the municipality (acct 223) and a debit to miscellaneous deferred debits (acct. 186) for \$535,467.96. Amortization of the deferred debit is discussed in the footnote associated with account 186. The Advance from Municipality will be handled like normal debt but with interest charged to account 430. The following is the debt schedule:

Advance from Municipality		
Repayment of WRS Payoff of Unfunded Liability		
Date	Principal	Interest
10/01/1999		\$12,060.11
04/01/2000		18,090.16
10/01/2000		18,090.16
04/01/2001	\$15,284.03	18,090.16
10/01/2001		17,668.32
04/01/2002	16,074.58	17,668.32



**IMPORTANT CHANGES DURING THE YEAR****Report changes of any of the following types:**

.	10/01/2002		17,209.39
.	04/01/2003	17,128.65	17,209.39
.	10/01/2003		16,703.24
.	04/01/2004	18,182.72	16,703.24
.	10/01/2004		16,155.03
.	04/01/2005	19,236.79	16,155.03
.	10/01/2005		15,561.58
.	04/01/2006	20,290.86	15,561.58
.	10/01/2006		14,926.47
.	04/01/2007	21,608.45	14,926.47
.	10/01/2007		14,241.48
.	04/01/2008	22,926.04	14,241.48
.	10/01/2008		13,509.00
.	04/01/2009	24,507.15	13,509.00
.	10/01/2009		12,719.87
.	04/01/2010	26,088.25	12,719.87
.	10/01/2010		11,827.65
.	04/01/2011	27,932.88	11,827.65
.	10/01/2011		10,872.34
.	04/01/2012	29,777.50	10,872.34
.	10/01/2012		9,853.96
.	04/01/2013	31,885.64	9,853.96
.	10/01/2013		8,763.46
.	04/01/2014	33,993.78	8,763.46
.	10/01/2014		7,600.88
.	04/01/2015	36,365.44	7,600.88
.	10/01/2015		6,288.09
.	04/01/2016	39,000.62	6,288.09
.	10/01/2016		4,880.16
.	04/01/2017	41,899.31	4,880.16
.	10/01/2017		3,367.60
.	04/01/2018	45,061.53	3,367.60
.	10/01/2018		1,740.88
.	04/01/2019	48,223.74	1,740.88
.			
.		<u>\$535,467.96</u>	<u>\$474,109.39</u>

**6. Formal proceedings with the Public Service Commission.**

The Kenosha Water Utility has procured, installed and is operating sixteen US Filter microfiltration units. This was done under PSC construction authorization 2820-CW-105. The quality of the finished water has exceeded expectation. However, the contract with US Filter requires that the units be able to produce a continuous 16 MGD when water temperature is above 65 degrees F, and short term peak of 18.9 MGD when the temperature is above 68 degrees F with low turbidity. Through months of testing and process modifications, US Filter and the Kenosha Water Utility have agreed that the maximum capacity that the sixteen units can produce is 13 MGD.

The PSC has been informed of the situation and has acknowledged the Utility's proposed addition of a third train of microfiltration units under construction authorization 2820-CW-105. This is per a letter from David Sheard dated September 12, 2000. The total additional cost is \$2.25 million. Conditions of the original authorization remain valid for construction of these units. Tentative agreement has been reached for US Filter to supply nine, 108M10C units to the Kenosha Water Utility for approximately \$1.5 million. The total capacity of the twenty-five microfiltration units will be 21.7 MGD. These units are expected to operational by October 2001.

## **IMPORTANT CHANGES DURING THE YEAR**

**Report changes of any of the following types:**

---

**7. Any additional matters.**

## FINANCIAL SECTION FOOTNOTES

### Balance Sheet End-of-Year Account Balances (Page F-19)

#### Miscellaneous Deferred Debit - WRS Obligation

The Water Utility's proportionate share of the pay off made by the City of the Employee Trust Fund unfunded obligation has been recorded by a debit to account 186, Miscellaneous Deferred Debits and a credit to account 223, Advances from Municipality. This was as directed by Bruce Manthey of the PSC in his 1/27/2000 letter, file DWCCA-2820-BJM. After initial discussions with PSC staff an amortization method based on anticipated payroll expense increases will be proposed to PSC for approval. The method amortizes the \$535,467.96 deferred debit, account 223, over a period of 20 years assuming a 2.5% increase in payroll costs per year. The schedule is shown below:

.	.	.	.
.	.	WRS Unfunded Obligation Amortization	.
.	.	Assumes 2.5% annual wage increase	.
.	Year	2000	1.0000 \$20,962.05
.		2001	1.0250 21,486.08
.		2002	1.0506 22,023.24
.		2003	1.0769 22,573.82
.		2004	1.1038 23,138.16
.		2005	1.1314 23,716.62
.		2006	1.1597 24,309.53
.		2007	1.1887 24,917.27
.		2008	1.2184 25,540.20
.		2009	1.2489 26,178.71
.		2010	1.2801 26,833.17
.		2011	1.3121 27,504.00
.		2012	1.3449 28,191.60
.		2013	1.3785 28,896.39
.		2014	1.4130 29,618.80
.		2015	1.4483 30,359.27
.		2016	1.4845 31,118.26
.		2017	1.5216 31,896.21
.		2018	1.5597 32,693.62
.		2019	1.5987 33,510.96
.			
.		25.5447	\$535,467.96

---

## FINANCIAL SECTION FOOTNOTES

---

### Identification and Ownership - Contacts (Page iv)

November 26, 2001

Ms. Cathy Brnak, Director of Business Services  
Kenosha Water Utility  
4401 Green Bay Road  
Kenosha, WI 53144-1716

2000 Analytical Review DWCCA-2820-ELE

Dear Ms. Brnak:

The Public Service Commission staff is in the process of completing an analytical review of your utility's 2000 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that this review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. Additions to the water filtration plant in 1999 included \$1,848,044 added to Account 342, Distribution Reservoirs and Standpipes. There is no description of this cost in the schedule for reservoirs and standpipes on page W-16. Please provide the necessary information at this time.
2. On page W-19, it does not appear that all meters 6-inch and larger, in use, are tested annually. The Wisconsin Administrative Code requires in-use meters 6-inch and larger to be tested annually. Please test these meters in the future, or indicate in a schedule footnote why they are not tested.
3. On page F-2, \$1,775 is reported in Account 418 described as "rental of group home." Please confirm this is non-utility property or otherwise explain this matter.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. We prefer that you respond by e-mail if it is convenient

for you to do so. My e-mail address is elaine.engelke@psc.state.wi.us. If we have no questions regarding your response, you can consider the review closed.

response received 12/14/01, ele:

1. provided
2. noted
3. lighthouse keepers home

**WATER OPERATING REVENUES & EXPENSES**

<b>Particulars (a)</b>	<b>Amounts (b)</b>	
<b>Operating Revenues</b>		
<b>Sales of Water</b>		
Sales of Water (460-467)	9,207,244	1
<b>Total Sales of Water</b>	<b>9,207,244</b>	
<b>Other Operating Revenues</b>		
Forfeited Discounts (470)	71,740	2
Miscellaneous Service Revenues (471)	18,401	3
Rents from Water Property (472)	0	4
Interdepartmental Rents (473)	0	5
Other Water Revenues (474)	82,664	6
Amortization of Construction Grants (475)	0	7
<b>Total Other Operating Revenues</b>	<b>172,805</b>	
<b>Total Operating Revenues</b>	<b>9,380,049</b>	
<b>Operation and Maintenance Expenses</b>		
Source of Supply Expense (600-617)	1,620	8
Pumping Expenses (620-633)	715,991	9
Water Treatment Expenses (640-652)	709,982	10
Transmission and Distribution Expenses (660-678)	1,307,835	11
Customer Accounts Expenses (901-905)	197,188	12
Sales Expenses (910)	0	13
Administrative and General Expenses (920-932)	836,982	14
<b>Total Operation and Maintenance Expenses</b>	<b>3,769,598</b>	
<b>Other Operating Expenses</b>		
Depreciation Expense (403)	1,501,728	15
Amortization Expense (404-407)		16
Taxes (408)	1,495,302	17
<b>Total Other Operating Expenses</b>	<b>2,997,030</b>	
<b>Total Operating Expenses</b>	<b>6,766,628</b>	
<b>NET OPERATING INCOME</b>	<b>2,613,421</b>	

**WATER OPERATING REVENUES - SALES OF WATER**

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential	22	4,000	8,294	1
Commercial	20	3,000	5,211	2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>42</b>	<b>7,000</b>	<b>13,505</b>	
Metered Sales to General Customers (461)				
Residential	24,516	1,786,891	4,377,673	4
Commercial	2,864	1,020,374	2,029,582	5
Industrial	77	396,043	530,507	6
<b>Total Metered Sales to General Customers (461)</b>	<b>27,457</b>	<b>3,203,308</b>	<b>6,937,762</b>	
Private Fire Protection Service (462)	333		103,247	7
Public Fire Protection Service (463)	3		922,966	8
Other Sales to Public Authorities (464)	172	98,653	202,373	9
Sales to Irrigation Customers (465)	2	1,987	3,307	10
Sales for Resale (466)	17	761,161	1,024,084	11
Interdepartmental Sales (467)			0	12
<b>Total Sales of Water</b>	<b>28,026</b>	<b>4,072,109</b>	<b>9,207,244</b>	

**SALES FOR RESALE (ACCT. 466)**

Use a separate line for each delivery point.

<b>Customer Name (a)</b>	<b>Point of Delivery (b)</b>	<b>Thousands of Gallons Sold (c)</b>	<b>Revenues (d)</b>	
Town of Somers	3801 Green Bay Road	7	998	<b>1</b>
Town of Somers	6201 50th Street	124	734	<b>2</b>
Town of Somers	3000 12th Street	37,188	52,990	<b>3</b>
Town of Somers	1201 22nd Avenue	14,071	20,666	<b>4</b>
Town of Somers	3898 12th Street	791	2,093	<b>5</b>
TOWN OF SOMERS	4042 18TH STREET	419	1,671	<b>6</b>
TOWN OF SOMERS	4098 15th Street	14,522	21,296	<b>7</b>
TOWN OF SOMERS	1701 Sheridan Road	69,621	98,833	<b>8</b>
Village of Pleasant Prairie	8229 63rd Avenue	46,515	65,073	<b>9</b>
Village of Pleasant Prairie	8199 Green Bay Road	137,062	178,596	<b>10</b>
Village of Pleasant Prairie	7431 88th Avenue	84,366	111,330	<b>11</b>
Village of Pleasant Prairie	4300 85th Street	139,992	183,116	<b>12</b>
Village of Pleasant Prairie	1800 91st Street	5,276	7,836	<b>13</b>
Village of Pleasant Prairie	8499 COOPER ROAD	138,445	181,069	<b>14</b>
Village of Pleasant Prairie	11734 75th Street	28,933	38,421	<b>15</b>
Village of Pleasant Prairie	8951 39th Avenue	11,048	15,239	<b>16</b>
Village of Pleasant Prairie	8501 7th Avenue	32,781	44,123	<b>17</b>
<b>Total</b>		<b>761,161</b>	<b>1,024,084</b>	

**OTHER OPERATING REVENUES (WATER)**

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
<b>Public Fire Protection Service (463):</b>		
Amount billed (usually per rate schedule F-1)	864,957	1
Wholesale fire protection billed	58,009	2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
<b>Other (specify):</b>		
NONE		4
<b>Total Public Fire Protection Service (463)</b>	<b>922,966</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	71,740	5
<b>Other (specify):</b>		
NONE		6
<b>Total Forfeited Discounts (470)</b>	<b>71,740</b>	
<b>Miscellaneous Service Revenues (471):</b>		
HYDRANT PERMITS	6,776	7
TURN ON CHARGES	7,309	8
BACTI TESTS	1,487	9
FORFEITED DEPOSITS	430	10
OTHER	2,399	11
<b>Total Miscellaneous Service Revenues (471)</b>	<b>18,401</b>	
<b>Rents from Water Property (472):</b>		
NONE		12
<b>Total Rents from Water Property (472)</b>	<b>0</b>	
<b>Interdepartmental Rents (473):</b>		
NONE		13
<b>Total Interdepartmental Rents (473)</b>	<b>0</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department	82,664	14
<b>Other (specify):</b>		
NONE		15
<b>Total Other Water Revenues (474)</b>	<b>82,664</b>	
<b>Amortization of Construction Grants (475):</b>		
NONE		16
<b>Total Amortization of Construction Grants (475)</b>	<b>0</b>	



**WATER OPERATION & MAINTENANCE EXPENSES**

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
<b>SOURCE OF SUPPLY EXPENSES</b>		
Operation Supervision and Engineering (600)		1
Operation Labor and Expenses (601)		2
Purchased Water (602)		3
Miscellaneous Expenses (603)		4
Rents (604)		5
Maintenance Supervision and Engineering (610)		6
Maintenance of Structures and Improvements (611)		7
Maintenance of Collecting and Impounding Reservoirs (612)		8
Maintenance of Lake, River and Other Intakes (613)	1,620	9
Maintenance of Wells and Springs (614)		10
Maintenance of Infiltration Galleries and Tunnels (615)		11
Maintenance of Supply Mains (616)		12
Maintenance of Miscellaneous Water Source Plant (617)		13
<b>Total Source of Supply Expenses</b>	<b>1,620</b>	
<b>PUMPING EXPENSES</b>		
Operation Supervision and Engineering (620)	32,666	14
Fuel for Power Production (621)		15
Power Production Labor and Expenses (622)		16
Fuel or Power Purchased for Pumping (623)	500,977	17
Pumping Labor and Expenses (624)	82,213	18
Expenses Transferred--Credit (625)		19
Miscellaneous Expenses (626)	17,684	20
Rents (627)	5,400	21
Maintenance Supervision and Engineering (630)		22
Maintenance of Structures and Improvements (631)	22,670	23
Maintenance of Power Production Equipment (632)	5,722	24
Maintenance of Pumping Equipment (633)	48,659	25
<b>Total Pumping Expenses</b>	<b>715,991</b>	
<b>WATER TREATMENT EXPENSES</b>		
Operation Supervision and Engineering (640)	32,455	26
Chemicals (641)	64,136	27

**WATER OPERATION & MAINTENANCE EXPENSES**

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
<b>WATER TREATMENT EXPENSES</b>		
Operation Labor and Expenses (642)	302,464	28
Miscellaneous Expenses (643)	6,412	29
Rents (644)		30
Maintenance Supervision and Engineering (650)		31
Maintenance of Structures and Improvements (651)	32,343	32
Maintenance of Water Treatment Equipment (652)	272,172	33
<b>Total Water Treatment Expenses</b>	<b>709,982</b>	
<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>		
Operation Supervision and Engineering (660)	31,146	34
Storage Facilities Expenses (661)		35
Transmission and Distribution Lines Expenses (662)	36,047	36
Meter Expenses (663)	65,206	37
Customer Installations Expenses (664)	10,388	38
Miscellaneous Expenses (665)	339,387	39
Rents (666)		40
Maintenance Supervision and Engineering (670)	26,630	41
Maintenance of Structures and Improvements (671)		42
Maintenance of Distribution Reservoirs and Standpipes (672)	290,067	43
Maintenance of Transmission and Distribution Mains (673)	350,521	44
Maintenance of Fire Mains (674)		45
Maintenance of Services (675)	71,543	46
Maintenance of Meters (676)	29,261	47
Maintenance of Hydrants (677)	57,639	48
Maintenance of Miscellaneous Plant (678)		49
<b>Total Transmission and Distribution Expenses</b>	<b>1,307,835</b>	
<b>CUSTOMER ACCOUNTS EXPENSES</b>		
Supervision (901)		50
Meter Reading Labor (902)	43,206	51
Customer Records and Collection Expenses (903)	153,982	52
Uncollectible Accounts (904)		53

**WATER OPERATION & MAINTENANCE EXPENSES**

Each expense account that has an increase or a decrease when compared to the previous year of greater than 15 percent, but not less than \$10,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
<b>CUSTOMER ACCOUNTS EXPENSES</b>		
Miscellaneous Customer Accounts Expenses (905)		54
<b>Total Customer Accounts Expenses</b>	<b>197,188</b>	
<b>SALES EXPENSES</b>		
Sales Expenses (910)		55
<b>Total Sales Expenses</b>	<b>0</b>	
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Administrative and General Salaries (920)	147,965	56
Office Supplies and Expenses (921)	32,206	57
Administrative Expenses Transferred--Credit (922)		58
Outside Services Employed (923)	176,699	59
Property Insurance (924)	41,186	60
Injuries and Damages (925)	37,635	61
Employee Pensions and Benefits (926)	379,404	62
Regulatory Commission Expenses (928)	2,375	63
Duplicate Charges--Credit (929)		64
Miscellaneous General Expenses (930)	19,512	65
Rents (931)		66
Maintenance of General Plant (932)		67
<b>Total Administrative and General Expenses</b>	<b>836,982</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>3,769,598</b>	

**TAXES (ACCT. 408 - WATER)**

When allocation of taxes is made between departments, explain method used.
--

<b>Description of Tax (a)</b>	<b>Method Used to Allocate Between Departments (b)</b>	<b>Amount (c)</b>	
Property Tax Equivalent		1,406,823	<b>1</b>
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		29,632	<b>2</b>
<b>Net property tax equivalent</b>		<b>1,377,191</b>	
Social Security		103,039	<b>3</b>
PSC Remainder Assessment		15,072	<b>4</b>
Other (specify): NONE			<b>5</b>
<b>Total tax expense</b>		<b>1,495,302</b>	

**PROPERTY TAX EQUIVALENT (WATER)**

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Kenosha				1
<b>SUMMARY OF TAX RATES</b>							2
State tax rate	mills		0.201000				3
County tax rate	mills		4.923000				4
Local tax rate	mills		9.195000				5
School tax rate	mills		9.332000				6
Voc. school tax rate	mills		1.609000				7
Other tax rate - Local	mills		1.178000				8
Other tax rate - Non-Local	mills		0.000000				9
<b>Total tax rate</b>	mills		<b>26.438000</b>				10
Less: state credit	mills		1.451000				11
<b>Net tax rate</b>	mills		<b>24.987000</b>				12
<b>PROPERTY TAX EQUIVALENT CALCULATION</b>							13
<b>Local Tax Rate</b>	mills		<b>9.195000</b>				14
<b>Combined School Tax Rate</b>	mills		<b>10.941000</b>				15
<b>Other Tax Rate - Local</b>	mills		<b>1.178000</b>				16
<b>Total Local &amp; School Tax</b>	mills		<b>21.314000</b>				17
<b>Total Tax Rate</b>	mills		<b>26.438000</b>				18
<b>Ratio of Local and School Tax to Total</b>	dec.		<b>0.806188</b>				19
<b>Total tax net of state credit</b>	mills		<b>24.987000</b>				20
<b>Net Local and School Tax Rate</b>	mills		<b>20.144221</b>				21
Utility Plant, Jan. 1	\$	<b>75,259,112</b>	75,259,112				22
Materials & Supplies	\$	<b>378,992</b>	378,992				23
<b>Subtotal</b>	\$	<b>75,638,104</b>	<b>75,638,104</b>				24
Less: Plant Outside Limits	\$	<b>5,361,634</b>	5,361,634				25
<b>Taxable Assets</b>	\$	<b>70,276,470</b>	<b>70,276,470</b>				26
Assessment Ratio	dec.		0.993754				27
<b>Assessed Value</b>	\$	<b>69,837,523</b>	<b>69,837,523</b>				28
<b>Net Local &amp; School Rate</b>	mills		<b>20.144221</b>				29
<b>Tax Equiv. Computed for Current Year</b>	\$	<b>1,406,823</b>	<b>1,406,823</b>				30
Tax Equivalent per 1994 PSC Report	\$	1,033,306					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
<b>Tax equiv. for current year (see note 6)</b>	\$	<b>1,406,823</b>					34

**WATER UTILITY PLANT IN SERVICE**

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$100,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	1,136,363		5
Collecting and Impounding Reservoirs (312)	268,711		6
Lake, River and Other Intakes (313)	1,522,411		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	453,082		10
Other Water Source Plant (317)	0		11
<b>Total Source of Supply Plant</b>	<b>3,380,567</b>	<b>0</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	19,328		12
Structures and Improvements (321)	3,459,665		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	641,912	30,440	15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	3,952,706		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	8,977		20
<b>Total Pumping Plant</b>	<b>8,082,588</b>	<b>30,440</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	27,033		21
Structures and Improvements (331)	8,077,374		22
Water Treatment Equipment (332)	12,730,995		23
<b>Total Water Treatment Plant</b>	<b>20,835,402</b>	<b>0</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	305,382		24
Structures and Improvements (341)	0		25

**WATER UTILITY PLANT IN SERVICE (cont.)**

<b>Accounts (d)</b>	<b>Retirements During Year (e)</b>	<b>Adjustments Increase or (Decrease) (f)</b>	<b>Balance End of Year (g)</b>	
<b>INTANGIBLE PLANT</b>				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			1,136,363	5
Collecting and Impounding Reservoirs (312)			268,711	6
Lake, River and Other Intakes (313)			1,522,411	7
Wells and Springs (314)			0	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			453,082	10
Other Water Source Plant (317)			0	11
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>3,380,567</b>	
<b>PUMPING PLANT</b>				
Land and Land Rights (320)			19,328	12
Structures and Improvements (321)			3,459,665	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			672,352	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			3,952,706	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)	330		8,647	20
<b>Total Pumping Plant</b>	<b>330</b>	<b>0</b>	<b>8,112,698</b>	
<b>WATER TREATMENT PLANT</b>				
Land and Land Rights (330)			27,033	21
Structures and Improvements (331)	3,412		8,073,962	22
Water Treatment Equipment (332)			12,730,995	23
<b>Total Water Treatment Plant</b>	<b>3,412</b>	<b>0</b>	<b>20,831,990</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Land and Land Rights (340)			305,382	24
Structures and Improvements (341)			0	25

**WATER UTILITY PLANT IN SERVICE**

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$100,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Distribution Reservoirs and Standpipes (342)	4,583,486	42,886	26
Transmission and Distribution Mains (343)	25,137,288	2,697,973	27
Fire Mains (344)	0		28
Services (345)	4,144,477	173,982	29
Meters (346)	2,960,507	276,792	30
Hydrants (348)	2,329,895	227,553	31
Other Transmission and Distribution Plant (349)	0		32
<b>Total Transmission and Distribution Plant</b>	<b>39,461,035</b>	<b>3,419,186</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (389)	0		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	79,646	7,755	35
Computer Equipment (391.1)	298,311	110,072	36
Transportation Equipment (392)	788,488	23,560	37
Stores Equipment (393)	1,746		38
Tools, Shop and Garage Equipment (394)	200,022	3,238	39
Laboratory Equipment (395)	129,301		40
Power Operated Equipment (396)	376,575		41
Communication Equipment (397)	46,685		42
SCADA Equipment (397.1)	437,640		43
Miscellaneous Equipment (398)	3,506	600	44
Other Tangible Property (399)	0		45
<b>Total General Plant</b>	<b>2,361,920</b>	<b>145,225</b>	
<b>Total utility plant in service directly assignable</b>	<b>74,121,512</b>	<b>3,594,851</b>	
Common Utility Plant Allocated to Water Department	0		46
<b>Total utility plant in service</b>	<b>74,121,512</b>	<b>3,594,851</b>	



**WATER UTILITY PLANT IN SERVICE (cont.)**

<b>Accounts (d)</b>	<b>Retirements During Year (e)</b>	<b>Adjustments Increase or (Decrease) (f)</b>	<b>Balance End of Year (g)</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Distribution Reservoirs and Standpipes (342)			<b>4,626,372</b>	<b>26</b>
Transmission and Distribution Mains (343)	22,282		<b>27,812,979</b>	<b>27</b>
Fire Mains (344)			<b>0</b>	<b>28</b>
Services (345)		(1,481)	<b>4,316,978</b>	<b>29</b>
Meters (346)	168,058		<b>3,069,241</b>	<b>30</b>
Hydrants (348)	11,103		<b>2,546,345</b>	<b>31</b>
Other Transmission and Distribution Plant (349)			<b>0</b>	<b>32</b>
<b>Total Transmission and Distribution Plant</b>	<b>201,443</b>	<b>(1,481)</b>	<b>42,677,297</b>	
<b>GENERAL PLANT</b>				
Land and Land Rights (389)			<b>0</b>	<b>33</b>
Structures and Improvements (390)			<b>0</b>	<b>34</b>
Office Furniture and Equipment (391)	3,485	15,547	<b>99,463</b>	<b>35</b>
Computer Equipment (391.1)	118,244	40,943	<b>331,082</b>	<b>36</b>
Transportation Equipment (392)	14,501	(44,240)	<b>753,307</b>	<b>37</b>
Stores Equipment (393)			<b>1,746</b>	<b>38</b>
Tools, Shop and Garage Equipment (394)	3,402	5,320	<b>205,178</b>	<b>39</b>
Laboratory Equipment (395)			<b>129,301</b>	<b>40</b>
Power Operated Equipment (396)			<b>376,575</b>	<b>41</b>
Communication Equipment (397)	2,834	(1)	<b>43,850</b>	<b>42</b>
SCADA Equipment (397.1)			<b>437,640</b>	<b>43</b>
Miscellaneous Equipment (398)			<b>4,106</b>	<b>44</b>
Other Tangible Property (399)			<b>0</b>	<b>45</b>
<b>Total General Plant</b>	<b>142,466</b>	<b>17,569</b>	<b>2,382,248</b>	
<b>Total utility plant in service directly assignable</b>	<b>347,651</b>	<b>16,088</b>	<b>77,384,800</b>	
Common Utility Plant Allocated to Water Department			<b>0</b>	<b>46</b>
<b>Total utility plant in service</b>	<b>347,651</b>	<b>16,088</b>	<b>77,384,800</b>	

**ACCUMULATED PROVISION FOR DEPRECIATION - WATER**

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
2. If more than one depreciation rate is used, report the average rate in column (c).

<b>Primary Plant Accounts (a)</b>	<b>Balance First of Year (b)</b>	<b>Rate % Used (c)</b>	<b>Accruals During Year (d)</b>	
<b>SOURCE OF SUPPLY PLANT</b>				
Structures and Improvements (311)	22,727	2.00%	22,727	<b>1</b>
Collecting and Impounding Reservoirs (312)	99,494	1.67%	4,487	<b>2</b>
Lake, River and Other Intakes (313)	476,393	1.67%	25,424	<b>3</b>
Wells and Springs (314)	0			<b>4</b>
Infiltration Galleries and Tunnels (315)	0			<b>5</b>
Supply Mains (316)	0	1.33%		<b>6</b>
Other Water Source Plant (317)	0			<b>7</b>
<b>Total Source of Supply Plant</b>	<b>598,614</b>		<b>52,638</b>	
<b>PUMPING PLANT</b>				
Structures and Improvements (321)	(13,588)	2.00%	69,193	<b>8</b>
Boiler Plant Equipment (322)	0			<b>9</b>
Other Power Production Equipment (323)	183,476	4.00%	26,285	<b>10</b>
Steam Pumping Equipment (324)	0			<b>11</b>
Electric Pumping Equipment (325)	198,585	3.33%	131,625	<b>12</b>
Diesel Pumping Equipment (326)	0			<b>13</b>
Hydraulic Pumping Equipment (327)	0			<b>14</b>
Other Pumping Equipment (328)	(33,695)	4.00%	12,352	<b>15</b>
<b>Total Pumping Plant</b>	<b>334,778</b>		<b>239,455</b>	
<b>WATER TREATMENT PLANT</b>				
Structures and Improvements (331)	1,073,510	2.00%	161,513	<b>16</b>
Water Treatment Equipment (332)	1,381,495	3.24%	412,484	<b>17</b>
<b>Total Water Treatment Plant</b>	<b>2,455,005</b>		<b>573,997</b>	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Structures and Improvements (341)	0	2.50%		<b>18</b>
Distribution Reservoirs and Standpipes (342)	1,043,641	1.86%	85,651	<b>19</b>
Transmission and Distribution Mains (343)	2,404,225	0.93%	246,219	<b>20</b>
Fire Mains (344)	0			<b>21</b>
Services (345)	1,579,642	2.09%	88,407	<b>22</b>
Meters (346)	811,975	5.00%	150,744	<b>23</b>
Hydrants (348)	554,787	1.59%	38,766	<b>24</b>
Other Transmission and Distribution Plant (349)	0			<b>25</b>
<b>Total Transmission and Distribution Plant</b>	<b>6,394,270</b>		<b>609,787</b>	

# ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
311					45,454	1
312					103,981	2
313					501,817	3
314					0	4
315					0	5
316					0	6
317					0	7
	0	0	0	0	651,252	
321		11,800			43,805	8
322					0	9
323					209,761	10
324					0	11
325		1,057			329,153	12
326					0	13
327					0	14
328	330				(21,673)	15
	330	12,857	0	0	561,046	
331	3,412	728			1,230,883	16
332		50,070			1,743,909	17
	3,412	50,798	0	0	2,974,792	
341					0	18
342					1,129,292	19
343	22,282				2,628,162	20
344					0	21
345					1,668,049	22
346	168,058		14,372		809,033	23
348	11,103		350		582,800	24
349					0	25
	201,443	0	14,722	0	6,817,336	

**ACCUMULATED PROVISION FOR DEPRECIATION - WATER**

1. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
2. If more than one depreciation rate is used, report the average rate in column (c).

<b>Primary Plant Accounts (a)</b>	<b>Balance First of Year (b)</b>	<b>Rate % Used (c)</b>	<b>Accruals During Year (d)</b>	
<b>GENERAL PLANT</b>				
Structures and Improvements (390)	0	2.86%		<b>26</b>
Office Furniture and Equipment (391)	14,877	5.88%	5,797	<b>27</b>
Computer Equipment (391.1)	190,408	14.29%	31,060	<b>28</b>
Transportation Equipment (392)	467,138	12.86%	54,222	<b>29</b>
Stores Equipment (393)	536	5.88%	103	<b>30</b>
Tools, Shop and Garage Equipment (394)	170,369	5.88%	11,913	<b>31</b>
Laboratory Equipment (395)	24,010	5.88%	7,603	<b>32</b>
Power Operated Equipment (396)	147,761	9.00%	25,062	<b>33</b>
Communication Equipment (397)	6,462	9.09%	4,115	<b>34</b>
SCADA Equipment (397.1)	30,680	10.00%	50,764	<b>35</b>
Miscellaneous Equipment (398)	1,486	5.88%	224	<b>36</b>
Other Tangible Property (399)	0			<b>37</b>
<b>Total General Plant</b>	<b>1,053,727</b>		<b>190,863</b>	
<b>Total accum. prov. directly assignable</b>	<b>10,836,394</b>		<b>1,666,740</b>	
Common Utility Plant Allocated to Water Department	0			<b>38</b>
<b>Total accum. prov. for depreciation</b>	<b>10,836,394</b>		<b>1,666,740</b>	

## ACCUMULATED PROVISION FOR DEPRECIATION - WATER (cont.)

Account (e)	Book Cost of Plant Retired (f)	Cost of Removal (g)	Salvage (h)	Adjustments Increase or (Decrease) (i)	Balance End of Year (j)	
390					0	26
391	3,485			18,068	35,257	27
391.1	118,244			38,935	142,159	28
392	14,501		2,208	(16,649)	492,418	29
393					639	30
394	3,402			772	179,652	31
395					31,613	32
396					172,823	33
397	2,834			57	7,800	34
397.1					81,444	35
398					1,710	36
399					0	37
	<b>142,466</b>	<b>0</b>	<b>2,208</b>	<b>41,183</b>	<b>1,145,515</b>	
	<b>347,651</b>	<b>63,655</b>	<b>16,930</b>	<b>41,183</b>	<b>12,149,941</b>	
					0	38
	<b>347,651</b>	<b>63,655</b>	<b>16,930</b>	<b>41,183</b>	<b>12,149,941</b>	

**SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS**

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January		410,410		<b>410,410</b>	1
February		387,434		<b>387,434</b>	2
March		407,775		<b>407,775</b>	3
April		396,847		<b>396,847</b>	4
May		438,757		<b>438,757</b>	5
June		450,655		<b>450,655</b>	6
July		506,660		<b>506,660</b>	7
August		520,786		<b>520,786</b>	8
September		478,343		<b>478,343</b>	9
October		461,817		<b>461,817</b>	10
November		418,800		<b>418,800</b>	11
December		430,600		<b>430,600</b>	12
<b>Total for year</b>	<b>0</b>	<b>5,308,884</b>	<b>0</b>	<b>5,308,884</b>	
Less: Measured or estimated water used in main flushing and water treatment during year				570,234	13
Less: Other utility use				122,264	14
Other utility use explanation:					15
Hydrant flushing, flow tests					
Water pumped into distribution system				<b>4,616,386</b>	16
Less: Water sold				4,072,109	17
Losses and unaccounted for				<b>544,277</b>	18
Percent unaccounted for to the nearest whole percent (%)				<b>12%</b>	19
If more than 15%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				19,270	21
Date of maximum: 8/16/2000					22
Cause of maximum:					23
Hot weather					
Minimum gallons pumped by all methods in any one day during reporting year				9,060	24
Date of minimum: 1/2/2000					25
Total KWH used for pumping for the year				9,871,650	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

**SOURCES OF WATER SUPPLY - GROUND WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Depth in feet (c)</b>	<b>Well Diameter in inches (d)</b>	<b>Yield Per Day in gallons (e)</b>	<b>Currently In Service? (f)</b>
-------------------------	--	----------------------------------	--	---	--

NONE

**SOURCES OF WATER SUPPLY - SURFACE WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Intakes</b>			
		<b>Distance From Shore in feet (c)</b>	<b>Depth Below Surface in feet (d)</b>	<b>Diameter in inches (e)</b>	
LAKE MICHIGAN	1	4,200	35	42	<b>1</b>
LAKE MICHIGAN	2	4,150	40	48	<b>2</b>



**PUMPING & POWER EQUIPMENT**

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification	30TH AVENUE, PUMP #1	30TH AVENUE, PUMP #2	30TH AVENUE, PUMP #3	<b>1</b>
Location	2040 30TH AVENUE	2040 30TH AVENUE	2040 30TH AVENUE	<b>2</b>
Purpose	B	B	B	<b>3</b>
Destination	D	D	D	<b>4</b>
Pump Manufacturer	AURORA	FAIRBANKS MORSE	FAIRBANKS MORSE	<b>5</b>
Year Installed	1970	1982	1982	<b>6</b>
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	<b>7</b>
Actual Capacity (gpm)	1,050	2,100	2,100	<b>8</b>
Pump Motor or Standby Engine Mfr	LOUIS ALLIS	SIEMENS ALLIS	SIEMENS ALLIS	<b>9</b>
Year Installed	1970	1982	1982	<b>10</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>11</b>
Horsepower	50	125	125	<b>12</b>

<b>Particulars (a)</b>	<b>Unit D (b)</b>	<b>Unit E (c)</b>	<b>Unit F (d)</b>	
Identification	52ND STREET, PUMP #1	52ND STREET, PUMP #2	58TH STREET, PUMP #1	<b>14</b>
Location	2706 52ND STREET	2706 52ND STREET	4841 58TH STREET	<b>15</b>
Purpose	B	B	B	<b>16</b>
Destination	D	D	D	<b>17</b>
Pump Manufacturer	GOULDS PUMP	GOULDS PUMP	DEMING PUMP	<b>18</b>
Year Installed	1987	1987	1980	<b>19</b>
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	<b>20</b>
Actual Capacity (gpm)	4,900	4,900	2,100	<b>21</b>
Pump Motor or Standby Engine Mfr	MARATHON ELECTRIC	MARATHON ELECTRIC	U.S. ELETRICAL	<b>22</b>
Year Installed	1987	1987	1980	<b>23</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>24</b>
Horsepower	150	150	150	<b>25</b>

**PUMPING & POWER EQUIPMENT**

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification	58TH STREET, PUMP #2	58TH STREET, PUMP #3	80TH STREET, PUMP #1	<b>1</b>
Location	4841 58TH STREET	4841 58TH STREET	4920 80TH STREET	<b>2</b>
Purpose	B	B	B	<b>3</b>
Destination	D	D	D	<b>4</b>
Pump Manufacturer	CHICAGO PUMP	WEINEMAN	PEERLESS	<b>5</b>
Year Installed	1966	1981	1982	<b>6</b>
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	<b>7</b>
Actual Capacity (gpm)	1,200	2,100	1,200	<b>8</b>
Pump Motor or Standby Engine Mfr	LINCOLN MOTOR	LINCOLN MOTOR	MARATHON ELECTRIC	<b>9</b>
Year Installed	1966	1981	1996	<b>10</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>11</b>
Horsepower	50	100	60	<b>12</b>

<b>Particulars (a)</b>	<b>Unit D (b)</b>	<b>Unit E (c)</b>	<b>Unit F (d)</b>	
Identification	80TH STREET, PUMP #2	80TH STREET, PUMP #3	AIRPORT, PUMP #1	<b>14</b>
Location	4920 80TH STREET	4920 80TH STREET	5198 88TH AVENUE	<b>15</b>
Purpose	B	B	B	<b>16</b>
Destination	D	D	D	<b>17</b>
Pump Manufacturer	WORTHINGTON	WORTHINGTON	PACO PUMP CO	<b>18</b>
Year Installed	1987	1988	1988	<b>19</b>
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	<b>20</b>
Actual Capacity (gpm)	1,800	3,500	250	<b>21</b>
Pump Motor or Standby Engine Mfr	U.S. MOTOR	CENTURY	U.S. MOTOR	<b>22</b>
Year Installed	1987	1988	1988	<b>23</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>24</b>
Horsepower	100	200	20	<b>25</b>

**PUMPING & POWER EQUIPMENT**

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification	AIRPORT, PUMP #2	AIRPORT, PUMP #3	GIN MILL, PUMP #1	<b>1</b>
Location	5198 88TH AVENUE	5198 88TH AVENUE	8798 75TH STREET	<b>2</b>
Purpose	B	B	B	<b>3</b>
Destination	D	D	D	<b>4</b>
Pump Manufacturer	PACO PUMP CO	PACO PUMP CO	PACO PUMP CO	<b>5</b>
Year Installed	1988	1988	1988	<b>6</b>
Type	CENTRIFUGAL	CENTRIFUGAL	CENTRIFUGAL	<b>7</b>
Actual Capacity (gpm)	500	1,500	250	<b>8</b>
Pump Motor or Standby Engine Mfr	U.S. MOTOR	U.S. MOTOR	U.S. MOTOR	<b>9</b>
Year Installed	1988	1988	1988	<b>10</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>11</b>
Horsepower	40	100	15	<b>12</b>

<b>Particulars (a)</b>	<b>Unit D (b)</b>	<b>Unit E (c)</b>	<b>Unit F (d)</b>	
Identification	GIN MILL, PUMP #2	GIN MILL, PUMP #3	HIGHLIFT TWP-712	<b>14</b>
Location	8798 75TH STREET	8798 75TH STREET	1998 PROD PUMP BLDG	<b>15</b>
Purpose	B	B	P	<b>16</b>
Destination	D	D	D	<b>17</b>
Pump Manufacturer	PACO PUMP CO	PACO PUMP CO	INGERSOLL-DRESSER	<b>18</b>
Year Installed	1988	1988	1998	<b>19</b>
Type	CENTRIFUGAL	CENTRIFUGAL	VERTICAL TURBINE	<b>20</b>
Actual Capacity (gpm)	500	1,500	5,500	<b>21</b>
Pump Motor or Standby Engine Mfr	U.S. MOTOR	U.S. MOTOR	U.S. ELECTRICAL MOTORS	<b>22</b>
Year Installed	1988	1988	1998	<b>23</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>24</b>
Horsepower	25	75	400	<b>25</b>

**PUMPING & POWER EQUIPMENT**

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification	HIGHLIFT TWP-713	HIGHLIFT TWP-722	HIGHLIFT TWP-723	<b>1</b>
Location	1998 PROD PUMP BLDG	1998 PROD PUMP BLDG	1998 PROD PUMP BLDG	<b>2</b>
Purpose	P	P	P	<b>3</b>
Destination	D	D	D	<b>4</b>
Pump Manufacturer	INGERSOLL-DRESSER	INGERSOLL-DRESSER	INGERSOLL-DRESSER	<b>5</b>
Year Installed	1998	1998	1998	<b>6</b>
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	<b>7</b>
Actual Capacity (gpm)	5,500	5,500	5,500	<b>8</b>
Pump Motor or Standby Engine Mfr	U.S. ELECTRICAL MOTORS	U.S. ELECTRICAL MOTORS	U.S. ELECTRICAL MOTORS	<b>9</b>
Year Installed	1998	1998	1998	<b>10</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>11</b>
Horsepower	400	400	400	<b>12</b>

<b>Particulars (a)</b>	<b>Unit D (b)</b>	<b>Unit E (c)</b>	<b>Unit F (d)</b>	
Identification	HIGHLIFT VFD-711	HIGHLIFT VFD-721	LOWLIFT VFD-112	<b>13</b>
Location	1998 PROD PUMP BLDG	1998 PROD PUMP BLDG	RAW WATER PUMP STN.	<b>14</b>
Purpose	P	P	P	<b>15</b>
Destination	D	D	T	<b>16</b>
Pump Manufacturer	INGERSOLL-DRESSER	INGERSOLL-DRESSER	INGERSOLL-DRESSER	<b>17</b>
Year Installed	1998	1998	1998	<b>18</b>
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	<b>19</b>
Actual Capacity (gpm)	5,500	5,500	7,000	<b>20</b>
Pump Motor or Standby Engine Mfr	U.S. ELECTRICAL MOTORS	U.S. ELECTRICAL MOTORS	U.S. ELECTRICAL MOTORS	<b>21</b>
Year Installed	1998	1998	1998	<b>22</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>23</b>
Horsepower	400	400	300	<b>24</b>

**PUMPING & POWER EQUIPMENT**

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification	LOWLIFT VFD-113	LOWLIFT VFD-121	LOWLIFT VFD-131	<b>1</b>
Location	RAW WATER PUMP STN	RAW WATER PUMP STN.	RAW WATER PUMP STN.	<b>2</b>
Purpose	P	P	P	<b>3</b>
Destination	T	T	T	<b>4</b>
Pump Manufacturer	INGERSOLL-DRESSER	INGERSOLL-DRESSER	INGERSOLL-DRESSER	<b>5</b>
Year Installed	1998	1998	1998	<b>6</b>
Type	VERTICAL TURBINE	VERTICAL TURBINE	VERTICAL TURBINE	<b>7</b>
Actual Capacity (gpm)	7,000	7,000	6,750	<b>8</b>
Pump Motor or Standby Engine Mfr	U.S. ELECTRICAL MOTORS	U.S. ELECTRICAL MOTORS	U.S. ELECTRICAL MOTORS	<b>9</b>
Year Installed	1998	1998	1998	<b>10</b>
Type	ELECTRIC	ELECTRIC	ELECTRIC	<b>11</b>
Horsepower	300	300	100	<b>12</b>

<b>Particulars (a)</b>	<b>Unit D (b)</b>	<b>Unit E (c)</b>	<b>Unit F (d)</b>	
Identification	LOWLIFT VFD-132			<b>14</b>
Location	RAW WATER PUMP STN.			<b>15</b>
Purpose	P			<b>16</b>
Destination	T			<b>17</b>
Pump Manufacturer	INGERSOLL-DRESSER			<b>18</b>
Year Installed	1998			<b>19</b>
Type	VERTICAL TURBINE			<b>20</b>
Actual Capacity (gpm)	6,750			<b>21</b>
Pump Motor or Standby Engine Mfr	U.S. ELECTRICAL MOTORS			<b>22</b>
Year Installed	1998			<b>23</b>
Type	ELECTRIC			<b>24</b>
Horsepower	100			<b>25</b>

**RESERVOIRS, STANDPIPES & WATER TREATMENT**

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification number or name	104TH AVENUE	30TH AVENUE	60TH STREET EAST	<b>1</b>
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>				<b>2</b>
				<b>3</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	R	R	<b>4</b>
				<b>5</b>
Year constructed	1958	1969	1991	<b>6</b>
				<b>7</b>
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	STEEL	<b>8</b>
				<b>9</b>
Elevation difference in feet (See Headnote 3.)	189	98	163	<b>10</b>
Total capacity in gallons	150,000	4,300,000	3,800,000	<b>11</b>
<b>WATER TREATMENT PLANT</b>				<b>12</b>
Disinfection, type of equipment (gas, liquid, powder, other)				<b>13</b>
				<b>14</b>
Points of application (wellhouse, central facilities, booster station, other)				<b>15</b>
				<b>16</b>
				<b>17</b>
Filters, type (gravity, pressure, other, none)				<b>18</b>
				<b>19</b>
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)				<b>20</b>
				<b>21</b>
				<b>22</b>
Is a corrosion control chemical used (yes, no)?				<b>23</b>
				<b>24</b>
Is water fluoridated (yes, no)?				<b>25</b>

**RESERVOIRS, STANDPIPES & WATER TREATMENT**

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification number or name	60TH STREET WEST	75TH STREET	80TH STREET	<b>1</b>
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>				<b>2</b>
				<b>3</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	ET	R	<b>4</b>
Year constructed	1934	1978	1962	<b>5</b>
				<b>6</b>
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	STEEL	<b>7</b>
				<b>8</b>
Elevation difference in feet (See Headnote 3.)	163	224	129	<b>9</b>
				<b>10</b>
Total capacity in gallons	2,700,000	750,000	4,000,000	<b>11</b>
				<b>12</b>
<b>WATER TREATMENT PLANT</b>				<b>13</b>
Disinfection, type of equipment (gas, liquid, powder, other)				<b>14</b>
				<b>15</b>
Points of application (wellhouse, central facilities, booster station, other)				<b>16</b>
				<b>17</b>
Filters, type (gravity, pressure, other, none)				<b>18</b>
				<b>19</b>
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)				<b>20</b>
				<b>21</b>
				<b>22</b>
Is a corrosion control chemical used (yes, no)?				<b>23</b>
				<b>24</b>
Is water fluoridated (yes, no)?				<b>25</b>

**RESERVOIRS, STANDPIPES & WATER TREATMENT**

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification number or name	INDUSTRIAL PARK	WASHWATER		<b>1</b>
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>				<b>2</b>
				<b>3</b>
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET		<b>4</b>
				<b>5</b>
Year constructed	1983	1963		<b>6</b>
				<b>7</b>
Primary material (earthen, steel, concrete, other)	STEEL	STEEL		<b>8</b>
				<b>9</b>
Elevation difference in feet (See Headnote 3.)	224	80		<b>10</b>
Total capacity in gallons	750,000	250,000		<b>11</b>
<b>WATER TREATMENT PLANT</b>				<b>12</b>
Disinfection, type of equipment (gas, liquid, powder, other)	GAS	GAS		<b>13</b>
				<b>14</b>
Points of application (wellhouse, central facilities, booster station, other)	CENTRAL FACILITIES	CENTRAL FACILITIES		<b>15</b>
				<b>16</b>
				<b>17</b>
Filters, type (gravity, pressure, other, none)	GRAVITY	PRESSURE		<b>18</b>
				<b>19</b>
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	20.0000	14.0000		<b>20</b>
				<b>21</b>
Is a corrosion control chemical used (yes, no)?	Y	Y		<b>22</b>
				<b>23</b>
Is water fluoridated (yes, no)?	Y	Y		<b>24</b>
				<b>25</b>



**WATER MAINS**

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If the assessments are deferred, explain.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	T	1.000	70	0	0	0	70	1
M	T	1.500	272	0	0	0	272	2
M	T	2.000	2,387	0	0	0	2,387	3
P	T	2.000	164	0	0	0	164	4
M	T	3.000	150	0	0	0	150	5
M	T	4.000	31,309	0	482	0	30,827	6
P	T	4.000	10	0	0	0	10	7
M	T	6.000	759,198	0	5,578	0	753,620	8
P	T	6.000	5,863	0	0	0	5,863	9
M	T	8.000	352,170	5,979	1,185	2,654	359,618	10
P	T	8.000	20,598	9,593	0	(2,150)	28,041	11
M	T	10.000	13,616	0	0	0	13,616	12
M	T	12.000	209,747	0	0	0	209,747	13
P	T	12.000	17,207	3,528	0	0	20,735	14
M	T	14.000	8,311	0	0	0	8,311	15
M	T	16.000	168,219	0	0	0	168,219	16
P	T	16.000	6,564	2,529	0	0	9,093	17
M	T	18.000	2,576	0	0	0	2,576	18
M	T	20.000	3,701	0	0	0	3,701	19
A	T	24.000	7,892	0	0	0	7,892	20
M	T	24.000	54,157	0	0	2,412	56,569	21
P	T	24.000	4,636	0	0	0	4,636	22
M	T	30.000	2,978	1,322	0	20	4,320	23
M	S	36.000	0	0	0	0	0	24
M	T	36.000	9,702	0	0	0	9,702	25
<b>Total Within Municipality</b>			<b>1,681,497</b>	<b>22,951</b>	<b>7,245</b>	<b>2,936</b>	<b>1,700,139</b>	
<b>Total Utility</b>			<b>1,681,497</b>	<b>22,951</b>	<b>7,245</b>	<b>2,936</b>	<b>1,700,139</b>	

**WATER SERVICES**

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
  - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
L	0.625	9,100	0	0	0	9,100		1
M	0.750	10,390	0	0	0	10,390		2
L	0.750	120	0	0	0	120		3
L	1.000	161	0	0	0	161		4
M	1.000	5,361	190	0	0	5,551		5
M	1.500	598	1	0	0	599		6
L	1.500	70	0	0	0	70		7
L	2.000	51	0	0	0	51		8
M	2.000	496	9	0	0	505		9
M	3.000	95	0	0	0	95		10
M	4.000	154	0	0	0	154		11
M	6.000	190	4	0	0	194		12
M	8.000	100	4	0	0	104		13
M	10.000	5	1	0	0	6		14
M	12.000	13	0	0	0	13		15
M	16.000	1	0	0	0	1		16
<b>Total Utility</b>		<b>26,905</b>	<b>209</b>	<b>0</b>	<b>0</b>	<b>27,114</b>	<b>0</b>	

**METERS**

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).

**Number of Utility-Owned Meters**

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	24,720	1,732	1,872	(88)	<b>24,492</b>	2,826	<b>1</b>
0.750	1,669	240	139	3	<b>1,773</b>	164	<b>2</b>
1.000	730	84	54	20	<b>780</b>	69	<b>3</b>
1.500	456	50	22	27	<b>511</b>	98	<b>4</b>
2.000	560	10	25	(9)	<b>536</b>	92	<b>5</b>
3.000	92	6	6	(2)	<b>90</b>	27	<b>6</b>
4.000	57	2	1	(3)	<b>55</b>	22	<b>7</b>
6.000	54	0	0	(6)	<b>48</b>	17	<b>8</b>
8.000	7	0	0	(1)	<b>6</b>	3	<b>9</b>
10.000	1	0	0	0	<b>1</b>	1	<b>10</b>
<b>Total:</b>	<b>28,346</b>	<b>2,124</b>	<b>2,119</b>	<b>(59)</b>	<b>28,292</b>	<b>3,319</b>	

**Classification of All Meters at End of Year by Customers**

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	23,290	998	4	11	0	189	<b>24,492</b>	<b>1</b>
0.750	1,152	540	7	11	0	63	<b>1,773</b>	<b>2</b>
1.000	177	488	14	20	0	81	<b>780</b>	<b>3</b>
1.500	18	380	15	25	0	73	<b>511</b>	<b>4</b>
2.000	8	419	17	48	1	43	<b>536</b>	<b>5</b>
3.000	0	56	4	18	0	12	<b>90</b>	<b>6</b>
4.000	0	18	8	23	1	5	<b>55</b>	<b>7</b>
6.000	0	11	7	6	12	12	<b>48</b>	<b>8</b>
8.000	0	0	1	1	4	0	<b>6</b>	<b>9</b>
10.000	0	0	1	0		0	<b>1</b>	<b>10</b>
<b>Total:</b>	<b>24,645</b>	<b>2,910</b>	<b>78</b>	<b>163</b>	<b>18</b>	<b>478</b>	<b>28,292</b>	

**HYDRANTS AND DISTRIBUTION SYSTEM VALVES**

1. Distinguish between fire and flushing hydrants by lead size.
  - a. Fire hydrants normally have a lead size of 6 inches or greater.
  - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
<b>Fire Hydrants</b>						
Outside of Municipality	0				0	1
Within Municipality	2,844	85	39		2,890	2
<b>Total Fire Hydrants</b>	<b>2,844</b>	<b>85</b>	<b>39</b>	<b>0</b>	<b>2,890</b>	
<b>Flushing Hydrants</b>						
	0				0	3
<b>Total Flushing Hydrants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year**

Number of hydrants operated during year:	1,369
Number of distribution system valves end of year:	5,045
Number of distribution valves operated during year:	465

## WATER OPERATING SECTION FOOTNOTES

### Water Operation & Maintenance Expenses (Page W-05)

Account 620 - Pumping Operation Supervision & Engineering. This account is supervisory labor associated with the pumping operation. It experienced a decrease of 25% or \$10,603 as compared to last year. In December, 1998, the new membrane filter plant, pump station, and other plant upgrades were put into production. Additional labor costs were incurred in 1999 due to completion of certification testing for the DNR, in house operational training, and project finalization.

Account 640 - Treatment Operation Supervision & Engineering. This account is supervision labor associated with the treatment operations. It experienced a decrease of 26% or \$11,617 as compared to last year. Reason is the same as account 620.

Account 642 - Treatment Operations Labor. This account represents treatment operational expenses including laboratory costs. It experienced an increase of 74% or \$128,553. Approximately \$100,000 of these costs were paid to outside engineering firms that were involved with start up of the plant upgrades and certification testing for the DNR. In house labor in this account increased approximately \$21,000 due to operational training and project finalization.

Account 672 - Maintenance of Distribution Reservoirs and Standpipes. This account increased 681% or \$252,939 compared to 1999. In 1999 no tanks were painted. In 2000 the 60th Street ground storage tank (east) had the interior painted. Deterioration of the existing paint coating which was from the initial construction 10 years ago required the interior paint be taken down to bare metal. Actual painting costs were \$186,442 and inspection was \$15,298. In addition the Utility contracted with an outside engineering firm to prepare the paint specifications for this job as well as the 75th Street elevated tank which will be painted in year 2001. This expense was \$15,947.

Account 673 - Maintenance of Transmission & Distribution Mains. This account decreased 15% or \$60,334 compared to 1999. In house labor in this account decreased \$86,050 as outside contractors were used to do street repairs. Outside contractor expense increased by \$30,079. Also water main repair part costs charged to this account decreased \$28,130 in year 2000. Water main breaks decreased due to the mild winter and our replacement program of failing water main. Water main breaks in year 2000 were 125 compared to 205 in year 1999.

Account 675 - Maintenance of Services. This account increased 23% or \$13,368 compared to 1999. Labor costs increased \$7,821, parts increased \$760, as well as street repairs by others which increased \$3,604. 55 service leaks were repaired in year 2000 as compared to 46 in year 1999.

Account 677 - Maintenance of Hydrants. This account increased 157% or \$35,245 compared to 1999. A contract was let in 2000 to paint hydrants which had not been painted in the Wisconsin sesquicentennial program. This contract was \$18,165. In addition, \$7,048 was incurred in house engineering costs associated with this program. Hydrant repairs in year 2000 were 33 compared to 25 in year 1999.

Account 923 - Administrative - Outside Services. This account increased 33% or \$43,932 compared to 1999. The Utility contracted a firm to perform a wage and classification study of its nonrepresented employees. The portion of this charged to the water budget was \$11,130. An outside engineering firm was contracted to study future long term water needs including tanks and booster stations. This cost was \$15,000. In addition legal expenses of \$3,000 were paid for a settled EEOC claim. Legal expenses of \$17,625 were

---

## WATER OPERATING SECTION FOOTNOTES

---

incurred in various issues related to inter municipal agreements with Pleasant Prairie & Bristol.

---

### Water Utility Plant in Service (Page W-08)

#### Additions:

391.1 NCR model 7780 receipting machine, \$85,235; routine additions of computers, printers, scanners, etc. \$22,908; water meter field programmer, \$1,929.

#### Retirements:

391.1 NCR model 7770, \$70,081; routine retirements of computers, printers and related equipment, \$48,163.

#### Adjustments:

345 After review of as-built information provided by a developer, it was found that a service reported as installed and capitalized did not exist, (\$1,481).

391 1999 retirements should have been \$4,091, reported as \$22,158, difference of \$18,067; reclass a tool cabinet to a/c 394, (\$2,520).

391.1 Transfer of computer equipment from Engineering Services unit, \$40,943.

392 Transfer 1995 GMC pickup to Engineering Services unit, (\$16,923); transfer 2000 Jeep Grand Cherokee (1999 purchase) to Engineering Services unit, (\$27,317).

394 Reclass a tool cabinet from a/c 391, \$2,520; transfer a pipe locator from Engineering Services unit, \$2,800.

397 Transfer a mobile VHF radio from Engineering Services unit, \$459; transfer a mobile VHF radio to Engineering Service unit, (\$460).

---

### Accumulated Provision for Depreciation - Water (Page W-10)

Acct 328 - Other Pumping Equipment has a negative balance due to a large asset retirement of \$304,325 in 1998 as part of the water filtration plant upgrade. These assets were determined to be fully depreciated so that when the same amount was debited to the accumulated depreciation account for the asset class, a debit balance resulted. The PSC has addressed this matter in new depreciation rates authorized on 8/7/98. Additional depreciation of \$12,000 per year has been authorized for asset class 328 for a five year period beginning 1/1/99.

---

### Pumping & Power Equipment (Page W-15)

Kenosha Water Utility has two backup Morley-Murphy generators, installed in 1991, diesel powered with 1490 horsepower, which can be used as standby power for the entire plant. This was converted from 4160 volts to 480 volts and relocated to the new facility.

In the 1998 Production Plant upgrade five new lowlift pumps were installed. Pump VFD 112, VFD 113 and VFD 121 are 300 horsepower and are used for pumping raw water to the micromembrane filtration units. Pumps VFD 131 and VFD 132 pump raw water to the sand filter plant.

---

---

## WATER OPERATING SECTION FOOTNOTES

---

### Reservoirs, Standpipes & Water Treatment (Page W-16)

Copy 3, Unit A - Water Treatment Plant is a rapid sand filtration plant.

Copy 3, Unit B - Water Treatment Plant is a micromembrane filtration plant. The summer capacity is 14 mgd while winter capacity is 8 mgd, due to the change in the viscosity because of the water temperature.

Per review response 12/14/01: additions to a/c 342 were for new clear water reservoir at the production plant. An above ground storage facility for finished water just beyond the chlorine contact area and just below the distribution system pumps. The capacity of storage is 2.5 million gallons.  
ele

---

### Water Mains (Page W-17)

When main donated by developers is added to Utility records it is inspected before it is formally accepted by the Board of Water Commissioners. It is added to our book at the installation cost incurred by the developer plus any costs incurred by the Utility. These types of installations generally have no assessments levied.

Water main installations by the Utility are assessed to benefiting property owners. Assessments are made and notice given as required by Wisconsin State Statute 66.60. Rates are set by the Board of Water Commissioners. Rates are also on file with the Wisconsin Public Service Commission. Assessments are based on the front footage of the property. A side lot exemption of 150 feet is allowed for corner lots.

Assessments are deferred on land zoned agricultural and land not currently within the assessment authority of the Utility, i.e. land outside the city limits. The customer is given all legal notices regarding the installation. After installation the customer has 30 days to pay interest free. If unpaid, interest accrues at 7.5% annually. In November of each year unpaid assessments are placed on the tax roll as special assessments for collection.

#### Adjustments:

8" metal - 504' is an omission from a previous year; 2,150' was incorrectly classified as PVC in 1999.

8" PVC - 2,150' was metal, incorrectly classified as PVC in 1999.

24" metal - 268' added in 1999 should have been 2,680'.

30" metal - 20' omission from a previous year.

---

---

## WATER OPERATING SECTION FOOTNOTES

---

### Water Services (Page W-18)

Fees collected for services are governed by Rate Tariff CZ-1. Fees are paid when installation is requested by the customer or after installation of a water main. Billing is done via the assessment system. In 2000, 55 services were added by customer request and through assessments with \$43,478 collected. Due to the advent of developers agreements, the Utility processes very few assessments for connections. In the assessment process the customer is given all legal notices regarding the installation. After installation the customer has 30 days to pay interest free. If unpaid, interest accrues at 7.5% annually. In November of each year unpaid assessments are placed on the tax roll as special assessments for collection.

If a connection is installed by a developer, the connections are added to the Utility's asset records at the installation cost as identified by the developer plus any engineering or inspection costs incurred by KWU. If this is not available, they are added at the Utility's average cost for that size of connection. The following connections were added under developer agreements in 2000:

White Caps 5B Subdivision	29	1" connections
White Caps 6 Subdivision	52	1" connections
White Caps 7 Subdivision	50	1" connections
Pleasant Prairie, 89th Pl & 20th Ave	23	1" connections

---

### Meters (Page W-19)

At the end of each year the Utility counts the meters physically in the stock room, meter shop, and meter repair vehicles. This is our in stock inventory. The 50 hydrant meters are not included. The customer accounts on the water file billing system are counted also. The sum of these two is our meter count at year end. We know for certain the purchases for the year, therefore the amount in the adjustments column must be meters retired but not recorded or a miscount of the year end inventory. At this point in time there is nothing that can be done to resolve the adjustments.

per review response: two 6-inch meters plumbed solid. 12/19/01 ele

---

### Hydrants and Distribution System Valves (Page W-20)

The Utility plans to exercise 50% of the hydrants and valves each year. The number of valves and hydrants operated during the year were less than anticipated for several reasons. The number of man hours available for this is related inversely to increased demands on emergency and time important repairs such as sanitary sewer repairs. Also employee vacancies created less overall available man hours.

---